REMARKS

Applicants request favorable reconsideration and allowance of the application in view of the foregoing amendments and the following remarks.

Claims 1-4 and 6-16 are pending in the application, with claims 1 and 4 being the only independent claims. Claim 5 has been cancelled without prejudice to or disclaimer of the subject matter recited therein. Claims 1 and 4 have been amended to incorporate subject matter previously recited in a dependent claim. Claims 9-16 have been added to improve the scope of coverage for the invention. Support for the new claims can be found throughout the originally-filed disclosure, including, for example, in Fig. 2 and at paragraphs [0015], [0040], and [0047] of the Specification. Accordingly, Applicants submit the amendments introduce no new matter.

Claims 1-8 are rejected under 35 U.S.C. 102(b) as being anticipated by <u>Helbig</u> (U.S. Patent Application Publication No. 2002/0116257).

Applicants respectfully traverse the rejection. Nevertheless, without conceding the propriety of the rejection, Applicants have amended independent Claims 1 and 4 by incorporating the subject matter of dependent Claim 5 in order to clarify features of the invention not taught or suggested by Helbig. Accordingly, Applicants submit the claims are allowable over Helbig, for at least the following reasons.

Claim 1 now recites, in a computer system that provides user access to a database of items, and provides electronic shopping carts for allowing users to interactively select and hold transactions for the items from the database, a method for redeeming loyalty points, comprising: identifying a transaction for an item; collecting the transaction in the user's electronic shopping cart; repeating the steps of identifying and collecting transactions until the user is ready to check out; verifying an amount of loyalty points for the collected transactions; and proceeding to an electronic checkout to complete the collected transactions, wherein completing the collected transactions includes; converting the

amount of loyalty points for the transaction into a currency value; contacting the provider of the item for the transaction; and providing the currency value to the provider of the item to complete the transaction.

The Office Action relies on Helbig to disclose a method for accessing a specified item (page 6, paragraph 0061 and page 7, paragraph 0073), collecting items in a shopping cart (page 5, paragraph 0047 and page 7, paragraph 0073), verifying the amount of points needed for the items in the shopping cart (page 5, paragraph 0047 and page 7, paragraph 0073), and processing the transaction (page 7, paragraph 0073 and page 9, paragraphs 0093-0094). The Office Action further alleges that Helbig discloses converting the loyalty points to a different currency value and providing the currency value to the provider of the items (page 11, paragraph 0127).

Applicants respectfully submit, however, that <u>Helbig</u> does not teach or suggest completing collected transactions which includes converting the amount of loyalty points for the transaction into a currency value; contacting the provider of the item for the transaction; and providing the currency value to the provider of the item to complete the transaction. Rather, <u>Helbig</u> discloses a method for increasing the quantity of incentives provided to the user upon purchase by converting a non-redeemable incentives (type 2) to a redeemable incentives (type 1) in order to increase the amount of redeemable incentives (type 1) earned when the purchase occurs. See, e.g., <u>Helbig</u>, paragraph [0127]. As there is no teaching of contact with the provider of the item for a transaction in order to complete the transaction, at least one feature of the claim is not taught. Thus, Applicant submits that <u>Helbig</u> cannot be understood to disclose or suggest a method for redeeming loyalty points, as recited in Claim 1.

For at least the foregoing reasons, Applicant submits the rejection of independent Claim 1 under 35 U.S.C. § 102(b) as being anticipated by <u>Helbig</u> has been overcome. Claim 4 recites features similar to those presented in Claim 1, and is patentable for at least

the same reasons.

Applicant further submits that dependent Claims 2, 3, and 6-16 also should be

deemed allowable in their own right for defining other patentable features of the present

invention in addition to those recited in their respective independent claims. Further

individual consideration of these dependent claims is requested.

Applicant further submits that the present application is in condition allowance.

Applicant requests favorable reconsideration, withdrawal of the rejections set forth in the

above-noted Office Action, and an early notice of allowance.

Applicant's undersigned attorney may be reached in our Washington, D.C. office

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Respectfully submitted,

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8